FINANCIAL STATEMENT.

MR. S. VENKATARAMANA AIYAR (*Ag. Financial Secretary to Government*): Sir, I rise to present the Budget Estimates for 1105. As usual I shall give a brief summary of the results of the last completed Financial year before proceeding to explain the revised estimates for the current year and the estimates for the next year.

ACTUALS OF 1103.

2. The final figures of ordinary revenue and expenditure for the last year were Rs 242·29 lakhs and Rs 218·40 lakhs respectively, resulting in a surplus of Rs 23·89 lakhs. This was an improvement on the figures of the revised estimates which anticipated a surplus of Rs 17·22 lakhs only. On the expenditure side, our revised estimate proved to be a very close approximation, the difference being less than a quarter of a lakh. The receipts however turned out better than the revised estimate by Rs 6·42 lakhs. The increase in revenue was chiefly under Taxes on Income (·74), Salt (1·17), Customs (·70), Forest (1·11), and Stamps (·81).

REVISED ESTIMATE FOR 1104.

3. The revenue and expenditure which were estimated at Rs 239·69 and Rs 234·78 lakhs respectively in the Budget are now expected to amount to Rs 246·61 and Rs 226·94 lakhs, yielding a revenue surplus of Rs 19·67 lakhs. Larger receipts are expected under the two principal heads of revenue *viz.*, Salt (·95) and Forest (1·22). The increase under salt occurs partly under duty and partly under recoveries of charges incurred in the sale of salt. The excess under Forest is expected to be realised by larger sales of royalties and junglewood removed from the forests by Government agency. There is an increase of Rs 3·01 lakhs under Interest receipts which occurs mainly under Interest and Discount on Government of India Pro-notes and it is the result of our investment of Rs 15·22 lakhs in Government of India securities. The receipts under Buildings, Communications and Miscellaneous Public Improvements are expected to be better than the Budget Estimate by Rs 1·42 lakhs, the major portion of the increase being under 'Tolls on roads and bridges.'

4. On the expenditure side, a saving of Rs 7·84 lakhs is anticipated spread over the various major heads. The principal savings are under Education (2·76) and Buildings, Communications and Miscellaneous Public Improvements (·99). One unexpected item of expenditure which the Government had to incur during the current year deserves special mention. I refer to the expenditure on account of measures adopted to combat the plague and cholera epidemics. Cholera in an epidemic form appeared in South Travancore towards the close of 1103 and it took a virulent turn early this year. Plague also appeared on the outskirts of the Devicolam District. Prompt and vigorous measures were adopted to combat these epidemics. These measures caused the Government a sum of nearly Rs 1 lakh on the whole.

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5. As stated above, the current year is expected to close with a revenue surplus of Rs 19·67 lakhs. On the Capital side, the receipts from the sale proceeds of Government lands are expected to amount to Rs 5·50 lakhs as against the budgeted revenue of Rs 5 lakhs and the Capital Expenditure, for which a total provision of Rs 34·83 lakhs was made in the Budget is expected to stand at Rs 27·38 lakhs. In the result, our surplus balance will be reduced by Rs 2·21 lakhs and the Government balance will stand at Rs 161·38 lakhs at the close of the year.

BUDGET ESTIMATE FOR 1105.

6. I shall now proceed to deal with the Budget Estimates for the next year. We are budgeting for a revenue of Rs 248·08 lakhs and an expenditure charged to revenue amounting to Rs. 244·94 lakhs. This will leave us a revenue surplus of Rs 3·14 lakhs. Our capital receipts from the sale proceeds of Government lands are expected to amount to Rs 5 lakhs and the proposed programme of Capital Expenditure stands at Rs. 30·02 lakhs. There will thus be a net drawing from the balance at our credit, to the extent of Rs 21·88 lakhs.

REVENUE.

7. The total revenue for the next year is expected to exceed the receipts of the current year by only Rs 1·47 lakhs. There are not many items on the revenue side which require special explanation as the anticipations for the next year closely follow the revised estimates for the current year. The net increase in the revenue is chiefly brought about by the variations under the following heads:—

	Budget better.	*Budget worse.*
Excise	1·15	
Customs	·95	
Interest		2·20
Buildings, Communcations and Miscellaneous Public Improvements	·49	
Railways (net receipts)	·46	

8. *Excise.*—The receipts are estimated at Rs 60·26 lakhs against the current year's expectation of Rs 59·11 lakhs. An increase of Rs ·25 of a lakh is anticipated under 'Tobacco' and of Rs ·90 of a lakh under Abkari and opium. The net increase under the latter is expected under the item 'Rebate of duty on ganja' due from the British Government. The rebate on 3,900 seers of ganja alone out of the 5,900 seers purchased during the year ended 31st March 1929 was relaised during the current year. Provision is therefore made for the balance due on this account as also for the rebate due on the probable purchase during the next year.

9. *Customs.*—The next year's revenue is expected to stand at Rs 32·95 lakhs, there being an increase of Rs ·94 of a lakh over the receipts of the current year. This moderate increase has been estimated under both land and sea customs exports, on the expectation that

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